

**INDIANA HOUSING FINANCE AUTHORITY
MORTGAGE CREDIT CERTIFICATE PROGRAM
CLOSING PACKAGE SUBMISSION**

Due Date

The Mortgage Credit Certificate must be issued by the Commitment Expiration Date on the Preliminary Approval Letter. The Commitment Expiration Date is **ninety (90)** days from the date of reservation on ALL properties **EXCEPT** on new construction loans then it is **150** days from the date of reservation. **Additionally**, the closing package must be received within thirty (30) days of the closing date. If the package is received by the thirty-first (31st) day or after, a late fee of one-quarter (¼) of one percent (1.00%) will be assessed and must be paid prior to the issuance of the Mortgage Credit Certificate.

Submission

After the loan closing, the Participating Lender forwards to IHFA the executed closing package, which consists of the following:

- (1) Extension fees, reinstatement fees or balance of reservation fees (if appl.)
- (2) Closing transmittal letter (MCC-7 dated 4/00) - **Original**
- (3) Copy of final loan application (typed and signed) (FNMA 1003) - **Copy**
- (4) Borrower's closing affidavit (MCC-8 dated 4/00) - **Original**
- (5) Authorization for Sellers Signature (if appl.) - **Copy**
- (6) Seller's affidavit (MCC-9 dated 4/00) - **Original**
- (7) HUD - 1 Settlement Statement - **Copy**
- (8) Reissuance Affidavit (MCC-10 dated 4/00) - **Original**
- (9) First Page of the Mortgage - **Copy**
- (10) Mortgage Note (Must show signatures) - **Copy**
- (11) First two pages of the appraisal - **Copy**

The closing package must be hole punched at the top with all forms "Acco" fastened together. The closing package does not need to be submitted in a folder.

IHFA documents cannot be dated prior to the date of closing.

Closing Package Submission Extension

Requests for one (1) thirty (30) day extension of the issuance of the Mortgage Credit Certificate will be considered by IHFA on a case-by-case basis and granted at the sole discretion of IHFA and only if funds remain available. IHFA will only consider a request for extension after receiving:

- (a) A written request that enumerates the **specific reasons** for the extension request, prior to the conditional commitment expiration date on the approval letter; and

- (b) An extension fee (for one thirty (30) day extension). A copy of the fee structure can be found at the back of Section 5.

Cancellation

If the Participating Lender fails to have the Mortgage Credit Certificate issued by the commitment expiration date, IHFA will cancel the reservation on the Thursday following the due date. No Mortgage Credit Certificate will be issued until all applicable fees are paid. The Participating Lender may file a written request for reinstatement of the canceled reservation.

Subject to the availability of funds, IHFA will review requests for reinstatement of the reservation. Such extensions will be granted solely at the discretion of IHFA and will only be considered upon the submission of:

- (a) A written request for reinstatement and submission of appropriate documentation to issue the Mortgage Credit Certificate;
- (b) The reinstatement fee; and
- (c) The extension fee (for each 30 day extension requested). A copy of the fee structure is included in the back of section 5.

Once the reservation is canceled the lender has thirty (30) days to reinstate the loan, subject to the availability of funds. If reinstatement has not occurred by the thirtieth (30th) day, the reservation will be canceled **permanently** and reinstatement will not be possible.

Closing Package Submission Approval

If IHFA determines the closing package is in compliance with Program requirements, IHFA will issue the MCC.

The lender will receive a \$75.00 processing fee for loans of \$75,000 and under and \$100.00 for loans over \$75,000 at the time of MCC issuance.

Closing Package Submission (Pended)

If IHFA requires additional information or the closing package is incomplete, the closing package will be **pended** and IHFA will issue a MCC Missing Document Letter. The additional information or corrected documents must be submitted to IHFA within thirty (30) days of the original date of the missing document letter. Even if the file is "updated", the documents are still required thirty (30) days from the original date of the

letter. The file must be approved in thirty (30) days. There are no extensions allowed for a pend letter.

Cancellation

If the Participating lender fails to respond to the Missing Document Letter within thirty (30) days of the date of the letter, the reservation will be canceled on the following Thursday with no further notice to the lender.

Once the reservation is canceled the lender has thirty (30) days to reinstate the reservation, subject to the availability of funds. If upon the thirtieth (30th) day the loan is not reinstated the reservation will be canceled **permanently** and no reinstatement is possible. The appropriate fees will be refunded to the originating lender.

Denied Reservation

IHFA may issue a denial letter if the information included in either the application package or the closing package indicates that the loan does not meet program requirements. IHFA will cancel denied loans ten (10) days from the date on the denial letter and return the funds to the reservation window. IHFA will retain a portion of the reservation fee and the remainder of the reservation fee will be refunded to the Participating Lender within fourteen (14) days. For refund information see the Fee Schedule at the end of section 5.

Extension fees and reinstatement fees cannot be paid by the Borrower(s) and they are not refundable! Extension fees may be paid by the Lender, Realtor, Seller or Builder. ANY LENDER WHO ALLOWS THE BORROWERS TO PAY EXTENSION AND/OR REINSTATEMENT FEES WILL HAVE TO REFUND THOSE FEES TO THE BORROWER AND SHOW PROOF OF REFUND TO IHFA. THE LENDER MAY FACE PROBATION IN IHFA'S PROGRAMS.

FORMS:

Transmittal Letter

Be sure to mark whether the property is new construction or existing housing and whether the property is located in a Targeted or Non-Targeted Area. This information is listed on the line Census Tract or MSA description. A list of Targeted areas may be found in Section 1 of this guide.

Borrower(s) Closing Affidavit

The borrower(s) must read, and with the lender's assistance, complete all sections of the Borrower(s) Closing Affidavit. The borrower(s) must review the Borrower(s) Application Agreement and note any changes that have occurred to statements made on the Application Agreement. If no changes have occurred, Section 1a should be marked. If changes have occurred, Section 1b should be marked and the changes should be noted in the blank provided. If necessary, additional sheets may be attached.

The borrower(s) must sign the Borrower(s) Closing Affidavit in the presence of the lender's representative. The lender's representative must sign and date the Borrower(s) Closing Affidavit as a witness and aver that the lender believes the information included therein to be correct. The lender cannot sign and date prior to the date of the borrower(s).

Seller's Affidavit

If an agent of the seller(s) signs the Seller(s) Affidavit, evidence of the agent's authorization to act on behalf of the seller must be included with the closing package. The lender's representative must sign and date the Seller(s) Affidavit as a witness and aver that the lender believes the information included therein to be correct. The lender cannot sign and date prior to the date of the seller. **PLEASE CHECK THIS DOCUMENT CAREFULLY AS IT IS OFTEN DIFFICULT TO LOCATE THE SELLER(S) AFTER CLOSING.**